

**TAMA COUNTY**

**Independent Auditors' Reports  
Basic Financial Statements and Supplementary Information  
Schedule of Findings and Questioned Costs**

**June 30, 2010**

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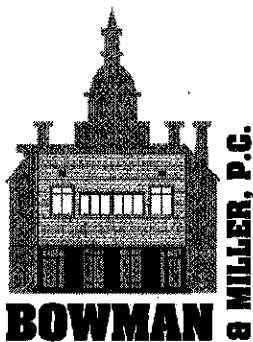
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# Tama County

## Officials

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Larry Vest	Board of Supervisors	January 2011
Dan Wilkens	Board of Supervisors	January 2013
Kendall Jordan	Board of Supervisors	January 2013
Laura Kopsa	County Auditor	January 2013
Sandra K. Fowler	County Treasurer	January 2011
Deborah Kupka	County Recorder	January 2011
Dennis Kucera	County Sheriff	January 2013
Brent D. Heeren	County Attorney	January 2011
Jerry Witt	County Assessor	January 2010



C E R T I F I E D   ♦   P U B L I C   ♦   A C C O U N T A N T S

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Elizabeth A. Miller, CPA • beth@bowmanandmillerpc.com

Independent Auditors' Report

To the Officials of Tama County:

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Tama County, Iowa, as of and for the year ended June 30, 2010, which collectively comprise the County's basic financial statements listed in the table of contents. These financial statements are the responsibility of Tama County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Tama County at June 30, 2010, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated December 15, 2010 on our consideration of Tama County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Management's Discussion and Analysis, Budgetary Comparison Information and the Schedule of Funding Progress for the Retiree Health Plan on pages 4 through 10 and 41 through 45 are not required parts of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. We did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Tama County's basic financial statements. We previously audited, in accordance with the standards referred to in the second paragraph of this report, the financial statements for the nine years ended June 30, 2009 (which are not presented herein) and expressed unqualified opinions on those financial statements. Other supplementary information included in Schedules 1 through 6, including the Schedule of Expenditures of Federal Awards required by U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Bowman and Miller, P.C.*

December 15, 2010

# MANAGEMENT'S DISCUSSION AND ANALYSIS

Tama County provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2010. We encourage readers to consider this information in conjunction with the County's financial statements, which follow.

## 2010 FINANCIAL HIGHLIGHTS

- Revenues of the County's governmental activities increased 15.3% or approximately \$2,309,000 from fiscal 2009 to fiscal 2010. General revenues remained virtually unchanged, charges for services increased approximately \$83,000, operating grants, contributions and restricted interest increased approximately \$17,400 and capital grants and contributions increased approximately \$2,150,000.
- Program expenses of the County's governmental activities were 3%, or approximately \$436,000, more in fiscal 2010 than in fiscal 2009. Public safety and legal services expenses increased approximately \$195,000 and roads and transportation expenses increased approximately \$275,000.
- The County's net assets increased 9%, or approximately \$2,444,000, from June 30, 2009 to June 30, 2010.

## USING THIS ANNUAL REPORT

The annual report consists of a series of financial statements and other information, as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the County's financial activities.

The Government-wide Financial Statements consist of a Statement of Net Assets and a Statement of Activities. These provide information about the activities of Tama County as a whole and present an overall view of the County's finances.

The Fund Financial Statements tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report Tama County's operations in more detail than the government-wide statements by providing information about the most significant funds. The remaining statements provide financial information about activities for which Tama County acts solely as an agent or custodian for the benefit of those outside of County government (Agency Funds).

Notes to Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Required Supplementary Information further explains and supports the financial statements with a comparison of the County's budget for the year, as well as presenting the Schedule of Funding Progress for the Retiree Health Plan.

Other Supplementary Information provides detailed information about the nonmajor governmental and the individual Agency Funds. In addition, the Schedule of Expenditures of Federal Awards provides details of various federal programs benefiting the County.

## **REPORTING THE COUNTY'S FINANCIAL ACTIVITIES**

### *Government-wide Financial Statements*

One of the most important questions asked about the County's finances is, "Is the County as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information which helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting and the economic resources measurement focus, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account, regardless of when cash is received or paid.

The Statement of Net Assets presents all of the County's assets and liabilities, with the difference between the two reported as "net assets". Over time, increases or decreases in the County's net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods.

The County's governmental activities are presented in the Statement of Net Assets and the Statement of Activities. Governmental activities include public safety and legal services, physical health and social services, mental health, county environment and education, roads and transportation, governmental services to residents, administration, interest on long-term debt and non-program activities. Property tax and state and federal grants finance most of these activities.

### *Fund Financial Statements*

The County has three kinds of funds:

1) Governmental funds account for most of the County's basic services. These focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. The governmental funds include: 1) the General Fund and 2) the Special Revenue Funds, such as Mental Health, Rural Services, and Secondary Roads. These funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund financial statements provide a detailed, short-term view of the County's general governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs.

The required financial statements for governmental funds include a balance sheet and a statement of revenues, expenditures and changes in fund balances.

2) Proprietary funds account for the County's Internal Service, Employee Group Health Fund. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the County's various functions.

The required financial statements for proprietary funds include a statement of net assets, a statement of revenues, expenses and changes in fund net assets and a statement of cash flows.



3) Fiduciary funds are used to report assets held in a trust or agency capacity for others which cannot be used to support the County's own programs. These fiduciary funds include Agency Funds that account for drainage districts, emergency management services and the County Assessor, to name a few.

The required financial statement for fiduciary funds is a statement of fiduciary assets and liabilities.

Reconciliations between the government-wide financial statements and the fund financial statements follow the fund financial statements.

### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net assets may serve over time as a useful indicator of financial position. The County's combined net assets increased from approximately \$27 million to approximately \$29.5 million. The analysis that follows focuses on the changes in net assets of governmental activities.

Net Assets of Governmental Activities (Expressed in Thousands)		
	June 30,	
	2010	2009
Current and other assets	\$ 17,874	16,805
Capital assets	20,349	18,995
Total assets	38,223	35,800
Long-term liabilities	424	518
Other liabilities	8,274	8,202
Total liabilities	8,698	8,720
Net assets:		
Invested in capital assets, net		
of related debt	20,349	18,963
Restricted	7,158	6,333
Unrestricted	2,018	1,784
Total net assets	\$ 29,525	27,080

Net assets of Tama County's governmental activities increased 9% (\$27 million compared to \$29.5 million). The largest portion of the County's net assets is invested in capital assets (e.g., land, infrastructure, buildings and equipment), less the related debt. The debt related to the investment in capital assets is liquidated with resources other than capital assets. Restricted net assets represent resources subject to external restrictions, constitutional provisions or enabling legislation on how they can be used. Unrestricted net assets – the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements – increased from approximately \$1,800,000 at June 30, 2009 to approximately \$2,000,000 at the end of this year, an increase of 13.2%.

This increase of approximately \$236,000 was a result of increased revenues related to roads and transportation. The County received approximately \$125,000 in I-Jobs funds and approximately \$183,000 more in road use tax funds over the prior year.

Changes in Net Assets of Governmental Activities		
	Year ended June 30,	
	2010	2009
Revenues:		
Program revenues:		
Charges for service	\$ 1,543,895	1,460,869
Operating grants, contributions and restricted interest	5,004,608	4,987,211
Capital grants, contributions and restricted interest	2,559,594	409,164
General revenues:		
Property tax	7,034,081	6,959,089
Interest and penalty on property tax	66,009	66,489
State tax credits	352,271	387,193
Local option sales tax	546,292	548,739
Unrestricted investment earnings	117,086	126,832
Other general revenues	44,699	13,539
Total revenues	17,268,535	14,959,125
Program expenses:		
Public safety and legal services	2,874,552	2,679,163
Physical health and social services	1,413,731	1,358,463
Mental health	1,780,808	1,849,704
County environment and education	649,964	590,555
Roads and transportation	6,591,289	6,316,159
Governmental services to residents	486,408	483,490
Administration	1,025,312	1,108,031
Non-program	1,987	2,200
Total expenses	14,824,051	14,387,765
Increase in net assets	2,444,484	571,360
Net assets beginning of year	27,080,466	26,509,106
Net assets end of year	\$ 29,524,950	27,080,466

Tama County's net assets of governmental activities increased approximately \$2,444,000 during the year. Revenues for governmental activities increased approximately \$2,309,000 from fiscal 2009 to fiscal 2010. The total cost of all programs and services increased by 3%. Capital grants, contributions and restricted interest increased by approximately \$2,150,000 due to contributed assets being received from the Iowa Department of Transportation through farm to market funds.

The cost of all governmental activities this year was approximately \$14.8 million compared to approximately \$14.4 million last year. However, as shown in the Statement of Activities on page 13, the amount that our taxpayers ultimately financed for these activities was only \$5.7 million because some of the cost was paid by those who directly benefited from the programs (\$1.5 million) or by other governments and organizations that subsidized certain programs with contributions and grants (\$7.6 million). Overall, the County's governmental program revenues including intergovernmental aid and fees for services, increased in 2010 from approximately \$6.9 million to approximately \$9.1 million. The County paid for the remaining "public benefit" portion of governmental activities (\$5.7 million) with taxes (some of which could only be used for certain programs) and with other revenues, such as interest and general entitlements. General revenues remained virtually unchanged from the prior year.

## **INDIVIDUAL MAJOR FUND ANALYSIS**

As Tama County completed the year, its governmental funds reported a combined fund balance of approximately \$7.5 million, an increase of more than \$900,000 above last year's total of approximately \$6.6 million. The following are the major reasons for the changes in fund balances of the major funds from the prior year:

- General Fund revenues and expenditures remained consistent when compared to the prior year. The ending fund balance showed a modest increase of approximately \$304,000 from the prior year to approximately \$3,316,000.
- The County has continued to look for ways to effectively manage the cost of mental health services. For the year, expenditures totaled approximately \$1,778,000, a decrease of 4.5% from the prior year. The Mental Health Fund balance at year end increased approximately \$188,000 over the prior year.
- Rural Services Fund revenues remained virtually unchanged from the prior year. For the year, expenditures totaled approximately \$347,000, a decrease of 12.4% from the prior year. This decrease was a result of fewer dollars being expended on roadway construction projects and snow and ice removal.
- Secondary Roads Fund revenues increased approximately \$117,000, due principally to receipt of I-Jobs funding from the State of Iowa. Expenditures increased approximately \$544,000 due principally to an increase in roadway maintenance and bridge repair. The amount that the County transferred from the Rural Services and General Funds increased by approximately \$199,000. These changes resulted in an increase in the Secondary Roads Fund ending balance of approximately \$23,000 or 1.4%.

## **BUDGETARY HIGHLIGHTS**

Over the course of the year, Tama County amended its budget once. The amendment was made in May 2010 and resulted in an increase in budgeted disbursements related to local health and capital project expenditures. The County received additional funding from the state related to several local health grant and FEMA funds. The expenditures were increased to reflect this additional revenue.

The County's receipts were \$371,302 greater than budgeted, a variance of 2.3%.

Total disbursements were \$3,103,707 less than the amended budget. This was primarily due to the County anticipated capital projects not being done.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

### **Capital Assets**

At June 30, 2010, Tama County had approximately \$43 million invested in a broad range of capital assets, including public safety equipment, buildings, roads and bridges. This amount represents a net increase (including additions and deletions) of approximately \$2,620,000, or 6.4% over last year.

Capital Assets of Governmental Activities at Year End (Expressed in Thousands)		
	June 30,	
	2010	2009
Land	\$ 1,386	859
Construction in progress	200	122
Buildings and improvements	5,400	5,400
Machinery and equipment	7,833	7,802
Infrastructure	28,207	26,223
Total	\$ 43,026	40,406

This year's major additions included (in thousands):

Sheriff's vehicles	88
Secondary road vehicles	46
Conservation equipment	44
Conservation land	527
Roadway construction	1,983
Total	\$ 2,688

The County had depreciation expense of \$1,452,573 in fiscal 2010 and total accumulated depreciation of \$22,689,185 at June 30, 2010.

The County's fiscal year 2010 capital budget included funds primarily for the continued upgrading of secondary roads and purchase of land for conservation. These projects will be funded with resources on hand in the County's fund balances. More detailed information about the County's capital assets is presented in Note 5 to the financial statements.

### Long-Term Debt

At June 30, 2010, the County had approximately \$422,000 in compensated absences compared to approximately \$518,000 in compensated absences and a capital lease at June 30, 2009, as shown below.

Outstanding Debt of Governmental Activities at Year-End		
	June 30,	
	2010	2009
Capital Lease Purchase Agreement	\$ -	31,893
Compensated Absences	421,879	486,459
Total	\$ 421,879	518,352

The Constitution of the State of Iowa limits the amount of general obligation debt counties can issue to 5 percent of the assessed value of all taxable property within the County's corporate limits. Tama County's outstanding general obligation debt is significantly below its constitutional debt limit of approximately \$56 million. Additional information about the County's long-term debt is presented in Note 6 to the financial statements.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

Tama County's elected and appointed officials and citizens considered many factors when setting the fiscal year 2011 budget, tax rates and the fees charged for various County activities. The proposed budget for fiscal year 2011 includes increases above the current budget in both the revenue and expenditure categories primarily related to roads and transportation as the County continues to make improvements in the infrastructure of roads and bridges.

The County has no major capital improvement plans for fiscal year 2011, but will continue to do routine maintenance on County buildings.

The County continues to seek ways to contain costs by sharing programs and personnel with other counties and to increase revenues through user fees, grants and contracts rather than solely relying on tax income.

## **CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of Tama County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Auditor's Office, Tama County Administration Building, 104 West State Street, P.O. Box 61, Toledo, Iowa, 52342.

Tama County  
Statement of Net Assets  
June 30, 2010

Exhibit A

	<u>Governmental Activities</u>
<b>Assets</b>	
Cash and pooled investments	\$ 9,430,646
Receivables:	
Property tax:	
Delinquent	13,248
Succeeding year	7,395,996
Interest and penalty on property tax	65,657
Accounts	41,665
Accrued interest	4,031
Due from other governments	479,782
Inventories	411,261
Prepaid expenses	31,747
Capital assets (net of accumulated depreciation)	<u>20,348,766</u>
<b>Total assets</b>	<u><b>38,222,799</b></u>
<b>Liabilities</b>	
Accounts payable	559,473
Salaries and benefits payable	152,059
Due to other governments	166,589
Deferred revenue:	
Succeeding year property tax	7,395,996
Long-term liabilities:	
Portion due or payable within one year:	
Compensated absences	421,879
Portion due or payable within one year:	
Net OPEB liability	<u>1,853</u>
<b>Total liabilities</b>	<u><b>8,697,849</b></u>
<b>Net Assets</b>	
Invested in capital assets	20,348,766
Restricted for:	
Supplemental levy purposes	1,176,351
Mental health purposes	443,349
Secondary roads purposes	1,496,330
Capital projects	21,391
Other purposes	4,020,953
Unrestricted	<u>2,017,810</u>
<b>Total net assets</b>	<u><b>\$ 29,524,950</b></u>

Tama County  
Statement of Activities  
Year Ended June 30, 2010

		Program Revenues		
		Charges for	Operating Grants, Contributions and Restricted Interest	Capital Grants, Contributions and Restricted Interest
	Expenses	Service		
<b>Functions/Programs:</b>				
Governmental activities:				
Public safety and legal services	\$ 2,874,552	265,399	55,880	-
Physical health and social services	1,413,731	485,964	417,316	-
Mental health	1,780,808	279,714	1,124,741	-
County environment and education	649,964	62,203	44,381	500,644
Roads and transportation	6,591,289	56,502	3,362,048	2,058,950
Governmental services to residents	486,408	312,426	242	-
Administration	1,025,312	40,140	-	-
Non-program	1,987	41,547	-	-
Total	<u>\$ 14,824,051</u>	<u>1,543,895</u>	<u>5,004,608</u>	<u>2,559,594</u>

**General Revenues:**

Property and other county tax levied for:  
    General purposes  
Interest and penalty on property tax  
State tax credits  
Local option sales tax  
Unrestricted investment earnings  
Gain on sale of property and equipment  
Miscellaneous

Total general revenues

Change in net assets

Net assets beginning of year

Net assets end of year

---

Net (Expense)  
Revenue and Changes  
in Net Assets

---

(2,553,273)

(510,451)

(376,353)

(42,736)

(1,113,789)

(173,740)

(985,172)

39,560

---

(5,715,954)

---

7,034,081

66,009

352,271

546,292

117,086

7,959

36,740

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8,160,438

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2,444,484

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27,080,466

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\$ 29,524,950

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Tama County  
Balance Sheet  
Governmental Funds  
June 30, 2010

	Special Revenue			
	General	Mental Health	Rural Services	Secondary Roads
<b>Assets</b>				
Cash and pooled investments	\$ 3,215,617	604,710	1,422,847	1,399,460
Receivables:				
Property tax:				
Delinquent	11,327	1,298	623	-
Succeeding year	4,903,229	560,732	1,932,035	-
Interest and penalty on property tax	65,657	-	-	-
Accounts	40,326	1,109	-	130
Accrued interest	1,581	-	-	-
Due from other governments	150,496	53,800	84,989	190,497
Inventories	-	-	-	411,261
Prepaid expense	31,747	-	-	-
<b>Total assets</b>	<b>\$ 8,419,980</b>	<b>1,221,649</b>	<b>3,440,494</b>	<b>2,001,348</b>
<b>Liabilities and Fund Balances</b>				
Liabilities:				
Accounts payable	\$ 32,978	46,710	1,199	272,659
Salaries and benefits payable	80,826	5,637	5,189	60,407
Due to other governments	10,192	156,346	-	51
Deferred revenue:				
Succeeding year property tax	4,903,229	560,732	1,932,035	-
Other	76,891	1,293	623	-
<b>Total liabilities</b>	<b>5,104,116</b>	<b>770,718</b>	<b>1,939,046</b>	<b>333,117</b>
Fund balances:				
Reserved for:				
Supplemental levy purposes	1,176,351	-	-	-
Unreserved, reported in:				
General fund	2,139,513	-	-	-
Special revenue funds	-	450,931	1,501,448	1,668,231
Capital projects fund	-	-	-	-
<b>Total fund balances</b>	<b>3,315,864</b>	<b>450,931</b>	<b>1,501,448</b>	<b>1,668,231</b>
<b>Total liabilities and fund balances</b>	<b>\$ 8,419,980</b>	<b>1,221,649</b>	<b>3,440,494</b>	<b>2,001,348</b>

<hr/>	
Nonmajor	Total
<hr/>	
550,565	7,193,199
-	13,248
-	7,395,996
-	65,657
100	41,665
-	1,581
-	479,782
-	411,261
-	31,747
<hr/>	
550,665	15,634,136
<hr/>	
-	353,546
-	152,059
-	166,589
-	7,395,996
-	78,807
<hr/>	
-	8,146,997
<hr/>	
-	1,176,351
-	2,139,513
529,274	4,149,884
21,391	21,391
<hr/>	
550,665	7,487,139
<hr/>	
550,665	15,634,136
<hr/>	

Tama County  
Reconciliation of the Balance Sheet -  
Governmental Funds to the Statement of Net Assets  
June 30, 2010

Exhibit D

Total governmental fund balances (page 15)	\$ 7,487,139
--------------------------------------------	--------------

*Amounts reported for governmental activities in the Statement of Net Assets are different because:*

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds. The cost of assets is \$43,037,951 and the accumulated depreciation is \$22,689,185.	20,348,766
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Other long-term assets are not available to pay current period expenditures and, therefore, are deferred in the governmental funds.	78,807
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The Internal Service Fund is used by management to charge the costs of the partial self funding of the County's health insurance benefit plan to individual funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the Statement of Net Assets.	2,033,970
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Long-term liabilities, including compensated absences payable and other postemployment benefits payable are not due and payable in the current period and, therefore, are not reported in the governmental funds.	<u>(423,732)</u>
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Net assets of governmental activities (page 11)	<u><u>\$ 29,524,950</u></u>
-------------------------------------------------	-----------------------------

Tama County  
Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Governmental Funds  
Year Ended June 30, 2010

	General	Special Revenue		
		Mental Health	Rural Services	Secondary Roads
Revenues:				
Property and other county tax	\$ 4,668,712	534,868	1,830,105	-
Local option sales tax	-	-	546,292	-
Interest and penalty on property tax	64,768	-	-	-
Intergovernmental	1,263,903	1,421,510	92,389	3,594,277
Licenses and permits	12,401	-	-	4,625
Charges for service	525,699	5,473	-	-
Use of money and property	140,320	-	-	-
Miscellaneous	58,391	4,185	-	51,877
Total revenues	6,734,194	1,966,036	2,468,786	3,650,779
Expenditures:				
Operating:				
Public safety and legal services	2,821,446	-	24,316	-
Physical health and social services	1,403,084	-	-	-
Mental health	-	1,778,066	-	-
County environment and education	482,804	-	111,206	-
Roads and transportation	-	-	208,195	5,525,880
Governmental services to residents	467,740	-	3,074	-
Administration	1,033,398	-	-	-
Non-program	134	-	-	-
Capital projects	18,191	-	-	-
Total expenditures	6,226,797	1,778,066	346,791	5,525,880
Excess (deficiency) of revenues over (under) expenditures	507,397	187,970	2,121,995	(1,875,101)
Other financing sources (uses):				
Sale of capital assets	3,266	-	-	4,693
Operating transfers in	-	-	-	1,893,667
Operating transfers out	(206,405)	-	(1,762,843)	-
Total other financing sources (uses)	(203,139)	-	(1,762,843)	1,898,360
Net change in fund balances	304,258	187,970	359,152	23,259
Fund balances beginning of year	3,011,606	262,961	1,142,296	1,644,972
Fund balances end of year	\$ 3,315,864	450,931	1,501,448	1,668,231

Nonmajor	Total
-	7,033,685
-	546,292
-	64,768
567,905	6,939,984
-	17,026
2,995	534,167
35,138	175,458
8,358	122,811
614,396	15,434,191

55,137	2,900,899
-	1,403,084
-	1,778,066
23,953	617,963
-	5,734,075
7,807	478,621
-	1,033,398
-	134
585,862	604,053
672,759	14,550,293

(58,363)	883,898
----------	---------

-	7,959
75,581	1,969,248
-	(1,969,248)
75,581	7,959

17,218	891,857
533,447	6,595,282
550,665	7,487,139

## Tama County

Exhibit F

Reconciliation of the Statement of Revenues, Expenditures and  
Changes in Fund Balances - Governmental Funds  
to the Statement of Activities  
Year Ended June 30, 2010

Net change in fund balances - Total governmental funds (page 18) \$ 891,857

*Amounts reported for governmental activities in the Statement of  
Activities are different because:*

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. Capital outlay expenditures and contributed capital assets exceeded depreciation expense in the current year, as follows:

Expenditures for capital assets	\$ 944,569		
Capital assets contributed by the Iowa Department of Transportation	1,861,419		
Depreciation expense	<u>(1,452,573)</u>		1,353,415

Because some revenues will not be collected for several months after the County's year end, they are not considered available revenues and are deferred in the governmental funds, as follows:

Property tax	1,637		
Other	<u>(78,218)</u>		(76,581)

Repayment of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.

31,893

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds, as follows:

Compensated absences	64,580		
Other postemployment benefits	<u>(1,853)</u>		62,727

The Internal Service Fund is used by management to charge the costs of the partial self-funding of the County's health insurance benefit plan to individual funds. The change in net assets of the Internal Service Fund is reported with governmental activities.

181,173

Change in net assets of governmental activities (page 13)

\$ 2,444,484

Tama County  
Statement of Net Assets  
Proprietary Fund  
June 30, 2010

Exhibit G

	<u>Internal Service- Employee Group Health</u>
<b>Assets</b>	
Cash and cash equivalents	\$ 2,237,447
Accrued interest	<u>2,450</u>
<b>Total assets</b>	<u>2,239,897</u>
 <b>Liabilities</b>	
Accounts payable	<u>205,927</u>
 <b>Net Assets</b>	
Unrestricted	<u><u>\$ 2,033,970</u></u>

Tama County  
Statement of Revenues, Expenses  
and Changes in Fund Net Assets  
Proprietary Fund  
Year Ended June 30, 2010

Exhibit H

		<u>Internal Service- Employee Group Health</u>
Operating revenues:		
Reimbursements from operating funds		\$ 1,676,056
Reimbursements from others		8,999
Insurance reimbursements		<u>35,941</u>
Total operating revenues		1,720,996
Operating expenses:		
Medical claims	\$ 1,375,761	
Insurance premiums	164,222	
Administrative fees	<u>41,386</u>	<u>1,581,369</u>
Operating income		139,627
Non-operating revenues:		
Interest income		<u>41,546</u>
Net income		181,173
Net assets beginning of year		<u>1,852,797</u>
Net assets end of year		<u><u>\$ 2,033,970</u></u>



Tama County  
Statement of Cash Flows  
Proprietary Fund  
Year Ended June 30, 2010

Exhibit I

	<u>Internal Service- Employee Group Health</u>
Cash flows from operating activities:	
Cash received from operating fund reimbursements	\$ 1,676,056
Cash received from employees and others	8,999
Cash received from insurance reimbursements	35,941
Cash paid to suppliers for services	<u>(1,553,923)</u>
Net cash provided by operating activities	167,073
Cash flows from investing activities:	
Interest on investments	<u>47,737</u>
Net increase in cash and cash equivalents	214,810
Cash and cash equivalents beginning of year	<u>2,022,637</u>
Cash and cash equivalents end of year	<u><u>\$ 2,237,447</u></u>
 <b>Reconciliation of operating income to net cash provided by operating activities:</b>	
Operating income	\$ 139,627
Adjustments to reconcile operating income to net cash provided by operating activities:	
Increase in accounts payable	<u>27,446</u>
Net cash provided by operating activities	<u><u>\$ 167,073</u></u>

Tama County  
Statement of Fiduciary Assets and Liabilities  
Agency Funds  
June 30, 2010

Exhibit J

**Assets**

Cash and pooled investments:	
County Treasurer	\$ 1,649,799
Other County officials	19,671
Receivables:	
Property tax:	
Delinquent	52,409
Succeeding year	16,181,408
Accounts	78,197
Due from other governments	43,723
<b>Total assets</b>	<u>18,025,207</u>

**Liabilities**

Accounts payable	129,657
Salaries and benefits payable	24,489
Due to other governments	17,752,995
Trusts payable	50,429
Compensated absences	67,637
<b>Total liabilities</b>	<u>18,025,207</u>

<b>Net assets</b>	<u><u>\$ -</u></u>
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Tama County  
Notes to Financial Statements  
June 30, 2010

**(1) Summary of Significant Accounting Policies**

Tama County is a political subdivision of the State of Iowa and operates under the Home Rule provisions of the Constitution of Iowa. The County operates under the Board of Supervisors form of government. Elections are on a partisan basis. Other elected officials operate independently with the Board of Supervisors. These officials are the Auditor, Treasurer, Recorder, Sheriff, and Attorney. The County provides numerous services to citizens, including law enforcement, health and social services, parks and cultural activities, planning and zoning, roadway construction and maintenance and general administrative services.

The County's financial statements are prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

**A. Reporting Entity**

For financial reporting purposes, Tama County has included all funds, organizations, agencies, boards, commissions and authorities. The County has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the County to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the County.

These financial statements present Tama County (the primary government) and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationships with the County.

Blended Component Units – The following component units are entities which are legally separate from the County, but are so intertwined with the County they are, in substance, the same as the County. They are reported as part of the County and blended into the appropriate funds.

Drainage District #3 has been established pursuant to Chapter 468 of the Code of Iowa for the drainage of surface waters from agricultural and other lands or the protection of such lands from overflow. Although this district is legally separate from the County, it is controlled, managed and supervised by the Tama County Board of Supervisors. This drainage district is reported as a Special Revenue Fund. The County has other drainage districts that are managed and supervised by elected trustees. The financial transactions of these districts are reported in an agency fund. Financial information of the individual drainage districts can be obtained from the Tama County Auditor's office.

Tama County  
Notes to Financial Statements (Continued)  
June 30, 2010

(1) **Summary of Significant Accounting Policies (continued)**

A. Reporting Entity (continued)

Jointly Governed Organizations – The County participates in several jointly governed organizations that provide goods or services to the citizenry of the County but do not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. The County Board of Supervisors are members of or appoint representatives to the following boards and commissions: Tama County Assessor's Conference Board, Tama County Joint E-911 Service Board, Tama County Economic Development Commission and Tama County Emergency Management Commission. Financial transactions of these organizations are included in the County's financial statements only to the extent of the County's fiduciary relationship with the organization and, as such, are reported in the Agency Funds of the County.

The County also participates in the following additional jointly governed organizations established pursuant to Chapter 28E of the Code of Iowa: Heartland Risk Pool Insurance, Tama County Solid Waste Disposal Commission, County Case Management Services, Mid-Iowa Drug Task Force, Northeast Iowa Response Group, Central Iowa Juvenile Detention Center and Region VI Planning Commission.

B. Basis of Presentation

Government-wide Financial Statements – The Statement of Net Assets and the Statement of Activities report information on all of the nonfiduciary activities of the County and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are supported by property tax, intergovernmental revenues and other nonexchange transactions.

The Statement of Net Assets presents the County's nonfiduciary assets and liabilities, with the difference reported as net assets. Net assets are reported in three categories.

*Invested in capital assets, net of related debt* consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes and other debt attributable to the acquisition, construction or improvement of those assets.

*Restricted net assets* result when constraints placed on net asset use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

*Unrestricted net assets* consist of net assets not meeting the definition of the two preceding categories. Unrestricted net assets often have constraints on resources imposed by management which can be removed or modified.

Tama County  
Notes to Financial Statements (Continued)  
June 30, 2010

**(1) Summary of Significant Accounting Policies (continued)**

**B. Basis of Presentation (continued)**

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants, contributions and interest restricted to meeting the operational or capital requirements of a particular function. Property tax and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements – Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as other nonmajor governmental funds.

The County reports the following major governmental funds:

The General Fund is the general operating fund of the County. All general tax revenues and other revenues not allocated by law or contractual agreement to some other fund are accounted for in this fund. From the fund are paid the general operating expenditures, the fixed charges and the capital improvement costs not paid from other funds.

**Special Revenue:**

The Mental Health Fund is used to account for property tax and other revenues designated to be used to fund mental health, mental retardation, and developmental disabilities services.

The Rural Services Fund is used to account for property tax and other revenues to provide services which are primarily intended to benefit those persons residing in the county outside of incorporated city areas.

The Secondary Roads Fund is used to account for secondary road construction and maintenance.

Additionally, the County reports the following funds:

Proprietary Fund – An Internal Service Fund is utilized to account for the financing of goods or services purchased by one department of the County and provided to other departments or agencies on a cost reimbursement basis.

Tama County  
Notes to Financial Statements (Continued)  
June 30, 2010

(1) **Summary of Significant Accounting Policies (continued)**

B. Basis of Presentation (continued)

Fiduciary Funds – Agency Funds are used to account for assets held by the County as an agent for individuals, private organizations, certain jointly governed organizations, other governmental units and/or other funds.

C. Measurement Focus and Basis of Accounting

The government-wide, proprietary fund and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax is recognized as revenue in the year for which it is levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days after year end.

Property tax, intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest are considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the County.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgments, compensated absences and termination benefits are recorded as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants and then by general revenues.

The proprietary fund of the County applies all applicable GASB pronouncements, as well as the following pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on Accounting Procedure.

Tama County  
Notes to Financial Statements (Continued)  
June 30, 2010

(1) Summary of Significant Accounting Policies (continued)

C. Measurement Focus and Basis of Accounting (continued)

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's Internal Service Fund is charges to customers for sales and services. Operating expenses for Internal Service Funds include the cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The County maintains its financial records on the cash basis. The financial statements of the County are prepared by making memorandum adjusting entries to the cash basis financial records.

D. Assets, Liabilities and Fund Equity

The following accounting policies are followed in preparing the financial statements:

Cash, Pooled Investments and Cash Equivalents – The cash balances of most County funds are pooled and invested. Interest earned on investments is recorded in the General Fund unless otherwise provided by law. Investments are stated at fair value except for the investment in the Iowa Public Agency Investment Trust which is valued at amortized cost and non-negotiable certificates of deposit which are stated at cost.

For purposes of the statement of cash flows, all short-term cash investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash and, at the day of purchase, have a maturity date no longer than three months.

Property Tax Receivable – Property tax in governmental funds is accounted for using the modified accrual basis of accounting.

Property tax receivable is recognized in these funds on the levy or lien date, which is the date the tax asking is certified by the County Board of Supervisors. Delinquent property tax receivable represents unpaid taxes for the current and prior years. The succeeding year property tax receivable represents taxes certified by the Board of Supervisors to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the Board of Supervisors is required to certify its budget in March of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is deferred in both the government-wide and fund financial statements and will not be recognized as revenue until the year for which it is levied.

Tama County  
Notes to Financial Statements (Continued)  
June 30, 2010

(1) Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Fund Equity (continued)

Property tax revenue recognized in these funds become due and collectible in September and March of the fiscal year with a 1½% per month penalty for delinquent payments; is based on January 1, 2008 assessed property valuations; is for the tax accrual period July 1, 2009 through June 30, 2010 and reflects the tax asking contained in the budget certified by the County Board of Supervisors in March 2009.

Interest and Penalty on Property Tax Receivable – Interest and penalty on property tax receivable represents the amount of interest and penalty that was due and payable but has not been collected.

Due from Other Governments – Due from other governments represents amounts due from the State of Iowa, various shared revenues, grants and reimbursements from other governments.

Inventories – Inventories are valued at cost using the first-in, first-out method. Inventories consist of expendable supplies held for consumption. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Capital Assets – Capital assets, which include property, equipment and vehicles, and infrastructure assets acquired after July 1, 1980 (e.g., roads, bridges, curbs, gutters, sidewalks, and similar items which are immovable and of value only to the County), are reported in the governmental activities column in the government-wide Statement of Net Assets. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized. Reportable capital assets are defined by the County as assets with initial, individual costs in excess of the following thresholds and estimated useful lives in excess of two years.

Asset Class	Amount
Infrastructure	\$ 50,000
Land, buildings and improvements	25,000
Equipment and vehicles	5,000



Tama County  
Notes to Financial Statements (Continued)  
June 30, 2010

(1) Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Fund Equity (continued)

Capital assets of the County are depreciated using the straight line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives (In Years)
Buildings	20 – 50
Building improvements	20 – 50
Infrastructure	30 – 50
Equipment	5 – 20
Vehicles	7 – 10

Due to Other Governments – Due to other governments represents taxes and other revenues collected by the County and payments for services which will be remitted to other governments.

Trusts Payable – Trusts payable represents amounts due to others which are held by various County officials in fiduciary capacities until the underlying legal matters are resolved.

Deferred Revenue – Although certain revenues are measurable, they are not available. Available means collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Deferred revenue in the governmental fund financial statements represents the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Deferred revenue consists of unspent grant proceeds as well as property tax receivable and other receivables not collected within sixty days after year end.

Deferred revenue in the Statement of Net Assets consists of succeeding year property tax receivable that will not be recognized as revenue until the year for which it is levied.

Compensated Absences – County employees accumulate a limited amount of earned but unused vacation hours for subsequent use or for payment upon termination, death or retirement. A liability is recorded when incurred in the government-wide, proprietary fund and fiduciary fund financial statements. A liability for these amounts is reported in governmental fund financial statements only for employees who have resigned or retired. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2010. The compensated absences liability attributable to the governmental activities will be paid primarily by the General, Mental Health, Rural Services and Secondary Roads Funds.

Tama County  
Notes to Financial Statements (Continued)  
June 30, 2010

**(1) Summary of Significant Accounting Policies (continued)**

**D. Assets, Liabilities and Fund Equity (continued)**

Long-Term Liabilities – In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund Statement of Net Assets. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Equity – In the governmental fund financial statements, reservations of fund balance are reported for amounts that are not available for appropriation or legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Net Assets – The net assets of the Internal Service, Employee Group Health Fund is designated for anticipated future catastrophic losses of the County.

**E. Budgets and Budgetary Accounting**

The budgetary comparison and related disclosures are reported as Required Supplementary Information. During the year ended June 30, 2010, disbursements in certain departments exceeded the amounts appropriated.

**(2) Cash and Pooled Investments**

The County's deposits in banks at June 30, 2010 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

The County is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Board of Supervisors; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

In addition, the County had investments in the Iowa Public Agency Investment Trust which are valued at an amortized cost of \$520,767 pursuant to Rule 2a-7 under the Investment Company Act of 1940.

Tama County  
Notes to Financial Statements (Continued)  
June 30, 2010

**(2) Cash and Pooled Investments (continued)**

Interest rate risk. The County's investment policy limits the investment of operating funds (funds expected to be expended in the current budget year or within 15 months of receipt) to instruments that mature within 397 days. Funds not identified as operating funds may be invested in investments with maturities longer than 397 days, but the maturities shall be consistent with the needs and use of the County.

Credit risk. The investment in the Iowa Public Agency Investment Trust is unrated.

**(3) Interfund Transfers**

The detail of interfund transfers for the year ended June 30, 2010 is as follows:

Transfer to	Transfer from	Amount
Special Revenue:		
Vehicle Replacement/Computer		
Maintenance	General	\$ 55,300
Land Acquisition and		
Development Fund	General	20,281
Special Revenue:		
Secondary Roads	General	130,824
	Special Revenue:	
	Rural Services	1,762,843
		<u>1,893,667</u>
		<u>\$ 1,969,248</u>

Transfers generally move resources from the fund statutorily required to collect the resources to the fund statutorily required to expend the resources.

Tama County  
Notes to Financial Statements (Continued)  
June 30, 2010

**(4) Capital Assets**

Capital assets activity for the year ended June 30, 2010 was as follows:

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 859,015	527,022	-	1,386,037
Construction in progress	121,968	78,345		200,313
Total capital assets not being depreciated	980,983	605,367	-	1,586,350
Capital assets being depreciated:				
Buildings	5,399,642	-	-	5,399,642
Equipment and vehicles	7,802,265	217,234	186,355	7,833,144
Infrastructure, road network	26,223,268	1,983,387	-	28,206,655
Total capital assets being depreciated	39,425,175	2,200,621	186,355	41,439,441
Less accumulated depreciation for:				
Buildings	2,120,702	108,169	-	2,228,871
Equipment and vehicles	5,254,977	492,385	174,195	5,573,167
Infrastructure, road network	14,035,128	852,019	-	14,887,147
Total accumulated depreciation	21,410,807	1,452,573	174,195	22,689,185
Total capital assets being depreciated, net	18,014,368	748,048	12,160	18,750,256
Governmental activities capital assets, net	<u>\$ 18,995,351</u>	<u>1,353,415</u>	<u>12,160</u>	<u>20,336,606</u>

Depreciation expense was charged to the following functions:

Governmental activities:	
Public safety and legal services	\$ 86,944
Physical health and social services	24,238
Mental health	8,536
County environment and education	32,216
Roads and transportation	1,218,208
Governmental services to residents	22,306
Administration	60,125
Total depreciation expense - governmental activities	<u>\$ 1,452,573</u>

Tama County  
Notes to Financial Statements (Continued)  
June 30, 2010

**(5) Long-Term Liabilities**

A summary of changes in long-term liabilities for the year ended June 30, 2010 is as follows:

	Capital Lease Purchase Agreement	Compensated Absences	Net OPEB Liability	Total
Balance beginning of year	\$ 31,893	486,459	-	518,352
Increases	-	-	1,853	1,853
Decreases	31,893	64,580	-	96,473
Balance end of year	\$ -	421,879	1,853	423,732
Due within one year	\$ -	421,879	-	421,879

Capital Lease Purchase Agreement

The County has entered into a capital lease purchase agreement to lease new financial and administrative accounting software with a historical cost of \$121,333. Payments under the capital lease purchase agreement totaled \$34,544 for the year ended June 30, 2010.

**(6) Operating Leases**

The County has entered into various operating leases for office copy machines and a postage meter. These leases expire at various times through May 2014. The following is a schedule by year of the total annual lease costs required under the operating leases.

Year ending June 30,	Rent Due
2011	\$ 18,701
2012	18,446
2013	14,495
2014	3,377
2015	-
Total	\$ 55,019

The total annual lease costs for the year ended June 30, 2010 were \$19,301.

**Tama County**  
**Notes to Financial Statements (Continued)**  
**June 30, 2010**

**(7) Due to Other Governments**

The County purchases services from other governmental units and also acts as a fee and tax collection agent for various governmental units. Tax collections are remitted to those governments in the month following collection. A summary of amounts due to other governments is as follows:

Fund	Description	Amount
General	Services	\$ 10,192
Special Revenue:		
Secondary Roads	Services	51
Mental Health	Services	156,346
		<u>156,397</u>
Total for governmental funds		<u>\$ 166,589</u>
Agency:		
County Assessor	Collections	\$ 626,363
Schools		10,768,213
Community Colleges		1,309,487
Corporations		3,630,812
Townships		283,289
Auto License and Use Tax		392,207
E-911		224,576
Emergency Management Services		114,782
All other		403,266
Total for agency funds		<u>\$ 17,752,995</u>

**(8) Pension and Retirement Benefits**

The County contributes to the Iowa Public Employees Retirement System (IPERS), which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by state statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa, 50306-9117.

Most regular plan members are required to contribute 4.30% of their annual covered salary and the County is required to contribute 6.65% of covered salary. Certain employees in special risk occupations and the County contribute an actuarially determined contribution rate. Contribution requirements are established by state statute. The County's contribution to IPERS for the years ended June 30, 2010, 2009, and 2008 were \$372,393, \$330,884 and \$323,897, respectively, equal to the required contributions for each year.

Tama County  
Notes to Financial Statements (Continued)  
June 30, 2010

**(9) Other Postemployment Benefits (OPEB)**

Tama County implemented GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits other Than Pensions, during the year ended June 30, 2010.

Plan Description. The County operates a single-employer retiree benefit plan which provides medical/prescription drug and dental benefits for retirees and their spouses. There are 120 active and 2 retired members in the plan. Participants must be age 55 or older at retirement.

The medical/prescription drug and dental benefits are provided through a partially self-funded medical plan administered by Bernie Lowe and Associates. Retirees under age 65 pay 102% of the full active employee premium for the medical/prescription drug and dental benefit, which results in an implicit rate subsidy and an OPEB liability.

Funding Policy. The contribution requirements of plan members are established and may be amended by the County. The County currently finances the retiree benefit plan on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation. The County's annual OPEB cost is calculated based on the annual required contribution (ARC) of the County, an amount actuarially determined in accordance with GASB Statement No. 45. The ARC represents a level of funding which, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years.

The following table shows the components of the County's annual OPEB cost for the year ended June 30, 2010, the amount actually contributed to the plan and changes in the County's net OPEB obligation:

Annual required contribution	\$ 3,769
Interest on net OPEB obligation	-
Adjustment to annual required contribution	-
Annual OPEB cost	<u>3,769</u>
Contributions made	<u>(1,916)</u>
Increase in net OPEB obligation	1,853
Net OPEB obligation beginning of year	<u>-</u>
Net OPEB obligation end of year	<u>\$ 1,853</u>

For calculations of the net OPEB obligation, the actuary has set the transition day as July 1, 2009. The end of year net OPEB obligation was calculated by the actuary as the cumulative difference between the actuarially determined funding requirements and the actual contributions for the year ended June 30, 2010.

For the year ended June 30, 2010 plan members eligible for benefits contributed \$1,916, or 100% of the premium costs.

Tama County  
Notes to Financial Statements (Continued)  
June 30, 2010

**(9) Other Postemployment Benefits (OPEB) (continued)**

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation as of June 30, 2010 are summarized as follows:

Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2010	\$ 3,769	51%	\$ 1,853

Funded Status and Funding Progress. As of July 1, 2009, the most recent actuarial valuation date for the period July 1, 2009 through June 30, 2010, the actuarial accrued liability was \$40,111, with no actuarial value of assets, resulting in an unfunded actuarial accrued liability (UAAL) of \$40,111. The covered payroll (annual payroll of active employees covered by the plan) was approximately \$4,578,884 and the ratio of the UAAL to covered payroll was .9%. As of June 30, 2010, there were no trust fund assets.

Actuarial Methods and Assumptions. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as Required Supplementary Information in the section following the Notes to Financial Statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the plan as understood by the employer and the plan members and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

As of the July 1, 2009 actuarial valuation date, the unit credit actuarial cost method was used. The actuarial assumptions include a 4.5% investment return based on the County's funding policy. The projected annual medical trend rate is 10%. The ultimate medical trend rate is 5%. The medical trend rate is reduced 1% each year until reaching the 5% ultimate trend rate.

Mortality rates are from the RP2000 Group Annuity Mortality Table, applied on a gender-specific basis. Annual retirement and termination probabilities were developed from the retirement probabilities from the IPERS Actuarial Report as of June 30, 2007 and applying the termination factors used in the IPERS Actuarial Report as of June 30, 2007.



Tama County  
Notes to Financial Statements (Continued)  
June 30, 2010

**(9) Other Postemployment Benefits (OPEB) (continued)**

Projected claim costs of the medical plan are \$878 per month for retirees less than age 65 and \$660 per month for retirees who have attained age 65. The salary increase rate was assumed to be 3% per year. The UAAL is being amortized as a level percentage of projected payroll expense on an open basis over 30 years.

**(10) Tama County Employee Group Health Fund**

The Internal Service, Tama County Employee Group Health Fund was established to account for the partial self funding of the County's health insurance benefit plan. The plan is funded by both employee and County contributions and is administered through a service agreement with Bernie Lowe Associates, Inc. The agreement is subject to automatic renewal provisions. The County assumes liability for claims up to the individual stop loss limitation of \$32,500. Claims in excess of coverage are insured through purchase of stop loss insurance.

Monthly payments of service fees and plan contributions to the Tama County Employee Group Health Fund are recorded as expenditures from the operating funds. Under the administrative services agreement, monthly payments of service fees and claims processed are paid to Gallagher Benefits, Inc. from the Tama County Employee Group Health Fund. The County's contribution for the year ended June 30, 2010 was \$1,676,056.

Amounts payable from the Employee Group Health Fund at June 30, 2010 total \$205,927, which is for incurred but not reported (IBNR) and reported but not paid claims. The amounts are based on actuarial estimates of the amounts necessary to pay prior-year and current-year claims and to establish a reserve for catastrophic losses. That reserve was \$2,033,970 at June 30, 2010 and is reported as a designation of the Internal Service, Employee Group Health Fund net assets. A liability has been established based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires a liability for claims be reported if information prior to the issuance of the financial statements indicates it is probable a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Settlements have not exceeded the stop-loss coverage in any of the past three years. A reconciliation of changes in the aggregate liability for claims for the current year is as follows:

Unpaid claims as beginning of year	\$ 178,481
Incurred claims (including claims incurred but not reported at June 30, 2010)	1,375,761
Payments on claims during the fiscal year	1,348,315
Unpaid claims end of year	\$ 205,927

Tama County  
Notes to Financial Statements (Continued)  
June 30, 2010

**(11) Risk Management**

Tama County is a member in the Heartland Risk Pool, as allowed by Chapter 331.301 of the Code of Iowa. The Heartland Risk Pool (Pool) is a local government risk-sharing pool whose members include ten counties throughout the State of Iowa. The Pool was formed July 1, 1987 to provide workers' compensation and property/casualty insurance for its members. The risk pool was created for the purpose of providing and maintaining self-insurance benefits on a group basis substantially at cost.

Each member County is responsible for the payment of member contributions to the risk pool on an annual basis. Member contributions to the risk pool are recorded as expenditures from the operating funds at the time of payment to the risk pool. In the event of payment of any loss by the risk pool, the risk pool is subrogated to the extent of such payment to all the rights of the member County against any person or other entity legally responsible for damages for said loss, and in such event, the member County is responsible for rendering all reasonable assistance, other than pecuniary assistance, to affect recovery. The risk pool is responsible for paying the reinsurance premiums on the insurance policies when due, to pay claims in accordance with the various coverages and to make other payments as required by applicable law, to establish and accumulate a reserve or reserves in amounts which are deemed advisable or required by law to carry out the purposes of the risk pool, and to pay all reasonable and necessary expenses for administering the risk pool and fund.

Initial risk of loss for the self-insured coverage is retained by the risk pool. The risk pool obtained a reinsurance policy for the year ended June 30, 2009, which covers exposures of specific losses in excess of \$750,000, with a \$250,000 corridor deductible, per occurrence up to the statutory limits for workers compensation, and in excess of \$400,000 per occurrence, up to a maximum of \$8,000,000 per occurrence, including the retention of the pool, for general liability, police professional, errors and omissions and automobile liability. The risk pool records a liability for unpaid claims based on estimates of reported and incurred but not reported claims and related loss adjustment expenses. At June 30, 2010, 2009 and 2008 the risk pool reported a surplus of assets over liabilities.

Member Counties retain the risk of claims, if any, exceeding maximum reinsurance coverages and the amount of surplus maintained in the risk pool by means of an assessment that would be charged to the member County in addition to the premium contributions. At June 30, 2010, settled claims have not exceeded the risk pool reinsurance coverage since commencement of the risk pool.

The County's property and casualty contributions to the risk pool are recorded as expenditures from its operating funds at the time of payment to the risk pool. The County's contributions to the Pool for the year ended June 30, 2010 were \$210,693.

Initial membership into the Pool is for a mandatory three year period. Subsequent to the initial term, a member County may withdraw at the end of any given fiscal year. The initial membership period for Tama County commenced July 1, 1987 and is subject to renewal every three years. The county assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Tama County  
Notes to Financial Statements (Continued)  
June 30, 2010

**(12) Contingent Liability**

During the year ended June 30, 1994, an underground storage tank investigation classified three former underground storage tank sites in Tama County as high risk, requiring the County to submit plans for remedial action to the Iowa Department of Natural Resources. The County is currently contesting the high risk classification for two of the three sites. The County estimates the costs to remediate the sites under the proposed plans to be approximately \$75,000 per site. As a result, a liability for \$150,000 has been recorded in accounts payable in the Secondary Roads Fund at June 30, 2010.

The environmental impact of the sites is currently unknown and the potential liability, if any, for additional costs associated with the sites is indeterminable.

**(13) Special Investigation**

Tama County Officials have requested the Auditor of State conduct a special investigative audit as a result of concerns with financial transactions and reporting in the County Sheriff's office. The special investigation has not been completed as of the date of this report, however the County does not believe the amounts in questions will be material to the financial statements. When it is completed the report will be filed with the appropriate officials and agencies.

**(14) Date of Management Evaluation**

Management has evaluated subsequent events through December 15, 2010, the date on which the financial statements were available to be issued.

### **Required Supplementary Information**

Tama County  
 Budgetary Comparison Schedule of  
 Receipts, Disbursements and Changes in Balances -  
 Budget and Actual (Cash Basis) - All Governmental Funds  
 Required Supplementary Information  
 Year Ended June 30, 2010

	Actual	Less Funds not Required to be Budgeted
Receipts:		
Property and other county tax	\$ 7,582,979	-
Interest and penalty on property tax	64,876	-
Intergovernmental	6,877,947	-
Licenses and permits	17,484	-
Charges for services	569,007	-
Use of money and property	183,542	-
Miscellaneous	123,965	-
Total receipts	<u>15,419,800</u>	-
Disbursements:		
Public safety and legal services	2,889,770	-
Physical health and social services	1,406,483	-
Mental health	1,770,899	-
County environment and education	619,255	-
Roads and transportation	5,563,310	-
Governmental services to residents	476,915	-
Administration	1,033,507	-
Non-program	134	-
Capital projects	658,335	-
Total disbursements	<u>14,418,608</u>	-
Excess (deficiency) of receipts over (under) disbursements	1,001,192	-
Other financing sources, net	<u>7,683</u>	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	1,008,875	-
Balance beginning of year	<u>6,184,324</u>	859
Balance end of year	<u><u>\$ 7,193,199</u></u>	<u>859</u>

Net	Budgeted Amounts		Final to Net Variance
	Original	Final	
7,582,979	7,762,875	7,762,875	(179,896)
64,876	73,005	73,005	(8,129)
6,877,947	6,193,871	6,954,398	(76,451)
17,484	-	-	17,484
569,007	371,508	377,095	191,912
183,542	122,430	122,430	61,112
123,965	483,399	501,299	(377,334)
15,419,800	15,007,088	15,791,102	(371,302)
2,889,770	3,166,925	3,187,209	297,439
1,406,483	1,428,634	1,520,432	113,949
1,770,899	2,039,447	2,039,447	268,548
619,255	735,726	748,082	128,827
5,563,310	6,008,964	6,008,964	445,654
476,915	495,041	495,041	18,126
1,033,507	1,319,118	1,319,118	285,611
134	1,250	359,248	359,114
658,335	1,844,774	1,844,774	1,186,439
14,418,608	17,039,879	17,522,315	3,103,707
1,001,192	(2,032,791)	(1,731,213)	2,732,405
7,683	4,000	4,000	3,683
1,008,875	(2,028,791)	(1,727,213)	2,736,088
6,183,465	3,490,780	2,727,350	3,456,115
7,192,340	1,461,989	1,000,137	6,192,203

Tama County  
 Budgetary Comparison Schedule -  
 Budget to GAAP Reconciliation  
 Required Supplementary Information  
 Year Ended June 30, 2010

	Governmental Funds		
	Cash Basis	Accrual Adjustments	Modified Accrual Basis
Revenues	\$ 15,419,800	14,391	15,434,191
Expenditures	14,418,608	131,685	14,550,293
Net	1,001,192	(117,294)	883,898
Other financing sources, net	7,683	276	7,959
Beginning fund balances	6,184,324	410,958	6,595,282
Ending fund balances	<u>\$ 7,193,199</u>	<u>293,940</u>	<u>7,487,139</u>

Tama County  
Notes to Required Supplementary Information-  
Budgetary Reporting  
June 30, 2010

The budgetary comparison is presented as Required Supplementary Information in accordance with Governmental Accounting Standards Board Statement No. 41 for governments with significant budgetary perspective differences resulting from not being able to present budgetary comparisons for the General Fund and each major Special Revenue Fund.

In accordance with the Code of Iowa, the County Board of Supervisors annually adopts a budget on the cash basis following required public notice and hearing for all funds except blended component units and Agency Funds, and appropriates the amount deemed necessary for each of the different County offices and departments. The budget may be amended during the year utilizing similar statutorily prescribed procedures. Encumbrances are not recognized on the cash basis budget and appropriations lapse at year end.

Formal and legal budgetary control is based upon ten major classes of expenditures known as functions, not by fund. These ten functions are: public safety and legal services, physical health and social services, mental health, county environment and education, roads and transportation, governmental services to residents, administration, non-program, debt service and capital projects. Function disbursements required to be budgeted include disbursements for the General Fund, the Special Revenue Funds, the Debt Service Fund and the Capital Projects Fund. Although the budget document presents function disbursements by fund, the legal level of control is at the aggregated function level, not by fund. Legal budgetary control is also based upon the appropriation to each office or department. During the year, one budget amendment increased budgeted disbursements by \$482,436. The budget amendment is reflected in the final budgeted amounts.

In addition, annual budgets are similarly adopted in accordance with the Code of Iowa by the appropriate governing body as indicated: for the County Extension Office by the County Agricultural Extension Council, for the County Assessor by the County Conference Board, for the E911 System by the Joint E911 Service Board and for Emergency Management Services by the County Emergency Management Commission.

During the year ended June 30, 2010, disbursements in certain departments exceeded the amounts appropriated.



Tama County  
Schedule of Funding Progress for the  
Retiree Health Plan  
Required Supplementary Information

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
July 1, 2009	-	\$ 40,111	40,111	0.0%	\$ 4,578,884	.9%

See Note 9 in the accompanying Notes to Financial Statements for the plan description, funding policy, annual OPEB Cost and Net OPEB Obligation, funded status and funding progress.

### **Other Supplementary Information**

Tama County  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2010

	Resource Enhancement and Protection	Vehicle Replacement / Computer Maintenance	Medicaid Reimburse- ment	Land Acquisition and Development Fund
<b>Assets</b>				
Cash and pooled investments	\$ 64,758	50,519	21,720	235,810
Accounts receivable	-	-	-	-
<b>Total assets</b>	<b>\$ 64,758</b>	<b>50,519</b>	<b>21,720</b>	<b>235,810</b>
<b>Fund Balances</b>				
Fund balances:				
Unreserved	\$ 64,758	50,519	21,720	235,810
<b>Total fund balances</b>	<b>\$ 64,758</b>	<b>50,519</b>	<b>21,720</b>	<b>235,810</b>

Special Revenue								
Tama County Nature Center	Security Services	County Recorder's Records Management	County Sheriff's Forfeiture Fund	County Sheriff's DARE Monies	County Attorney's Forfeiture Fund	Drainage District	Capital Projects	Total
103,709	5,553	45,700	31	398	117	859	21,391	550,565
100	-	-	-	-	-	-	-	100
103,809	5,553	45,700	31	398	117	859	21,391	550,665
103,809	5,553	45,700	31	398	117	859	21,391	550,665
103,809	5,553	45,700	31	398	117	859	21,391	550,665
103,809	5,553	45,700	31	398	117	859	21,391	550,665

Tama County  
Combining Schedule of Revenues, Expenditures and  
Changes in Fund Balances  
Nonmajor Governmental Funds  
Year Ended June 30, 2010

	Resource Enhancement and Protection	Vehicle Replacement / Computer Maintenance	Medicaid Reimburse- ment	Land Acquisition and Development Fund
Revenues:				
Intergovernmental	\$ 55,392	-	-	495,190
Charges for service	-	-	-	-
Use of money and property	981	45	-	10,587
Miscellaneous	-	-	-	1,500
Total revenues	56,373	45	-	507,277
Expenditures:				
Operating:				
Public safety and legal services	-	44,284	-	-
County environment and education	-	9,100	-	-
Governmental services to residents	-	-	-	-
Capital projects	35,000	7,760	-	524,054
Total expenditures	35,000	61,144	-	524,054
Excess (deficiency) of revenues over (under) expenditures	21,373	(61,099)	-	(16,777)
Other financing sources:				
Operating transfers in	-	55,300	-	20,281
Net change in fund balances	21,373	(5,799)	-	3,504
Fund balances beginning of year	43,385	56,318	21,720	232,306
Fund balances end of year	\$ 64,758	50,519	21,720	235,810

Special Revenue								
Tama County Nature Center	Security Services	County Recorder's Records Management	County Sheriff's Forfeiture Fund	County Sheriff's DARE Monies	County Attorney's Forfeiture Fund	Drainage District	Capital Projects	Total
12,431	4,892	-	-	-	-	-	-	567,905
-	-	2,995	-	-	-	-	-	2,995
23,283	-	242	-	-	-	-	-	35,138
6,489	-	-	-	369	-	-	-	8,358
42,203	4,892	3,237	-	369	-	-	-	614,396
-	10,853	-	-	-	-	-	-	55,137
14,853	-	-	-	-	-	-	-	23,953
-	-	7,807	-	-	-	-	-	7,807
-	-	-	-	-	-	-	19,048	585,862
14,853	10,853	7,807	-	-	-	-	19,048	672,759
27,350	(5,961)	(4,570)	-	369	-	-	(19,048)	(58,363)
-	-	-	-	-	-	-	-	75,581
27,350	(5,961)	(4,570)	-	369	-	-	(19,048)	17,218
76,459	11,514	50,270	31	29	117	859	40,439	533,447
103,809	5,553	45,700	31	398	117	859	21,391	550,665

Tama County  
Combining Schedule of Fiduciary Assets and Liabilities  
Agency Funds  
June 30, 2010

	County Offices		Agricultural		
	County	County	Extension	County	
	Recorder	Sheriff	Education	Assessor	Schools
<b>Assets</b>					
Cash and pooled investments:					
County Treasurer	\$ -	-	2,878	249,851	194,289
Other County officials	10,931	8,740	-	-	-
Receivables:					
Property tax:					
Delinquent	-	-	346	948	23,181
Succeeding year	-	-	150,000	396,209	10,550,743
Accounts	2,267	-	-	-	-
Due from other governments	-	-	-	-	-
<b>Total assets</b>	<b>\$ 13,198</b>	<b>8,740</b>	<b>153,224</b>	<b>647,008</b>	<b>10,768,213</b>
<b>Liabilities</b>					
Accounts payable	\$ -	-	-	23	-
Salaries and benefits payable	-	-	-	5,102	-
Due to other governments	13,198	24	153,224	626,363	10,768,213
Trusts payable	-	8,716	-	-	-
Compensated absences	-	-	-	15,520	-
<b>Total liabilities</b>	<b>\$ 13,198</b>	<b>8,740</b>	<b>153,224</b>	<b>647,008</b>	<b>10,768,213</b>

Community Colleges	Corporations	Townships	Special Assessments	Auto License and Use Tax	Empowerment	Emergency Management Services	E-911
26,554	92,834	4,145	12,855	392,207	24,760	129,675	204,941
-	-	-	-	-	-	-	-
3,527	24,326	76	-	-	-	-	-
1,279,406	3,513,652	279,068	-	-	-	-	-
-	-	-	-	-	1,122	-	14,862
-	-	-	-	-	-	33,497	10,226
1,309,487	3,630,812	283,289	12,855	392,207	25,882	163,172	230,029
-	-	-	-	-	13,037	469	5,453
-	-	-	-	-	-	12,544	-
1,309,487	3,630,812	283,289	12,855	392,207	12,845	114,782	224,576
-	-	-	-	-	-	-	-
-	-	-	-	-	-	35,377	-
1,309,487	3,630,812	283,289	12,855	392,207	25,882	163,172	230,029



Tama County  
Combining Schedule of Fiduciary Assets and Liabilities (Continued)  
Agency Funds  
June 30, 2010

Schedule 3

	Economic Development	Sanitary Landfill	Third Party Payees	Other	Total
<b>Assets</b>					
Cash and pooled investments:					
County Treasurer	\$ 53,630	154,176	41,713	65,291	1,649,799
Other County officials	-	-	-	-	19,671
Receivables:					
Property tax:					
Delinquent	-	-	-	5	52,409
Succeeding year	-	-	-	12,330	16,181,408
Accounts	-	59,946	-	-	78,197
Due from other governments	-	-	-	-	43,723
<b>Total assets</b>	<b>\$ 53,630</b>	<b>214,122</b>	<b>41,713</b>	<b>77,626</b>	<b>18,025,207</b>
<b>Liabilities</b>					
Accounts payable	\$ 5,044	105,631	-	-	129,657
Salaries and benefits payable	2,698	4,145	-	-	24,489
Due to other governments	44,056	89,438	-	77,626	17,752,995
Trusts payable	-	-	41,713	-	50,429
Compensated absences	1,832	14,908	-	-	67,637
<b>Total liabilities</b>	<b>\$ 53,630</b>	<b>214,122</b>	<b>41,713</b>	<b>77,626</b>	<b>18,025,207</b>

Tama County  
Combining Schedule of Changes in Fiduciary Assets and Liabilities  
Agency Funds  
Year Ended June 30, 2010

	County Offices			Agricultural
	County Auditor	County Recorder	County Sheriff	Extension Education
<b>Assets and Liabilities</b>				
Balances beginning of year	\$ -	10,907	8,781	153,107
Additions:				
Property and other county tax	-	-	-	142,649
E-911 surcharge	-	-	-	-
State tax credits	-	-	-	7,124
Interest	-	-	-	-
Office fees and collections	2,807	249,891	278,988	-
Auto licenses, drivers license, use tax and postage	-	-	-	-
Assessments	-	-	-	-
Trusts	-	-	114,570	-
Reimbursements from other governments	-	-	-	-
Miscellaneous	-	-	-	-
Total additions	2,807	249,891	393,558	149,773
Deductions:				
Agency remittances:				
To other funds	2,807	108,275	275,012	-
To other governments	-	139,325	4,269	149,656
Trusts paid out	-	-	114,318	-
Total deductions	2,807	247,600	393,599	149,656
Balances end of year	\$ -	13,198	8,740	153,224

County Assessor	Schools	Community Colleges	Corporations	Townships	Special Assessments	Auto License and Use Tax	Empower- ment
638,827	9,893,746	1,343,380	3,440,112	272,022	1,322	376,928	95,489
386,876	10,404,347	1,185,460	3,443,377	265,559	-	-	-
-	-	-	-	-	-	-	-
19,506	479,991	59,886	158,927	12,724	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	4,444,798	-
-	-	-	-	-	31,425	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
668	-	-	-	-	-	-	288,004
407,050	10,884,338	1,245,346	3,602,304	278,283	31,425	4,444,798	288,004
-	-	-	-	-	-	190,604	-
398,869	10,009,871	1,279,239	3,411,604	267,016	19,892	4,238,915	357,611
-	-	-	-	-	-	-	-
398,869	10,009,871	1,279,239	3,411,604	267,016	19,892	4,429,519	357,611
647,008	10,768,213	1,309,487	3,630,812	283,289	12,855	392,207	25,882

Tama County  
Combining Schedule of Changes in Fiduciary Assets and Liabilities  
Agency Funds (Continued)  
Year Ended June 30, 2010

	Emergency Management Services	E-911	Economic Development	Sanitary Landfill
<b>Assets and Liabilities</b>				
Balances beginning of year	\$ 151,575	176,815	56,586	76,577
Additions:				
Property and other county tax	-	-	-	-
E-911 surcharge	-	117,865	-	-
State tax credits	-	-	-	-
Interest	-	1,338	-	-
Office fees and collections	-	-	-	-
Auto licenses, drivers license, use tax and postage	-	-	-	-
Assessments	-	-	-	-
Trusts	-	-	-	-
Reimbursements from other governments	656,859	-	121,567	-
Miscellaneous	558	-	36,476	722,827
Total additions	657,417	119,203	158,043	722,827
Deductions:				
Agency Remittances:				
To other funds	-	-	-	-
To other governments	645,820	65,989	160,999	585,282
Trusts paid out	-	-	-	-
Total deductions	645,820	65,989	160,999	585,282
Balances end of year	\$ 163,172	230,029	53,630	214,122

Third Party Payees	Other	Total
26,878	64,208	16,787,260
-	27,541	15,855,809
-	-	117,865
-	579	738,737
-	-	1,338
-	8,881	540,567
-	-	4,444,798
-	-	31,425
283,643	319,007	717,220
-	-	778,426
-	-	1,048,533
283,643	356,008	24,274,718
-	-	576,698
-	19,301	21,753,658
268,808	323,289	706,415
268,808	342,590	23,036,771
41,713	77,626	18,025,207

Tama County  
Schedule of Revenues By Source and Expenditures By Function -  
All Governmental Funds  
For the Last Ten Years

	2010	2009	2008	2007
Revenues:				
Property and other county tax	\$ 7,033,685	6,959,487	6,592,282	6,243,083
Local option sales tax	546,292	548,739	547,461	536,617
Interest and penalty on property tax	64,768	57,758	73,650	66,062
Intergovernmental	6,939,984	6,418,435	6,877,451	6,754,711
Licenses and permits	17,026	14,469	14,946	13,515
Charges for service	534,167	521,606	505,387	498,324
Use of money and property	175,458	169,285	251,133	300,347
Miscellaneous	122,811	127,711	81,984	48,739
Total	<u>\$ 15,434,191</u>	<u>14,817,490</u>	<u>14,944,294</u>	<u>14,461,398</u>
Expenditures:				
Operating:				
Public safety and legal services	\$ 2,900,899	2,709,086	2,672,476	2,531,566
Physical health and social services	1,403,084	1,379,806	1,335,015	1,202,218
Mental health	1,778,066	1,860,702	1,783,875	1,694,136
County environment and education	617,963	580,591	616,085	825,251
Roads and transportation	5,734,075	5,118,437	5,414,893	5,889,960
Governmental services to residents	478,621	478,877	459,901	429,841
Administration	1,033,398	1,132,708	1,199,758	1,171,989
Non-program	134	2,200	3,427	181
Capital projects	604,053	340,127	783,271	641,249
Total	<u>\$ 14,550,293</u>	<u>13,602,534</u>	<u>14,268,701</u>	<u>14,386,391</u>

Modified Accrual Basis					
2006	2005	2004	2003	2002	2001
6,173,881	5,789,728	5,575,434	5,211,802	4,747,824	4,434,697
465,352	512,969	356,360	-	-	-
63,803	110,698	53,806	58,411	53,772	45,311
6,442,517	6,258,963	6,194,220	5,803,803	5,297,022	5,028,399
14,408	10,841	13,645	6,712	4,772	3,890
522,452	576,931	542,154	533,987	651,744	597,378
213,015	118,865	94,480	120,038	170,579	316,028
58,830	109,005	55,017	120,108	64,832	86,037
13,954,258	13,488,000	12,885,116	11,854,861	10,990,545	10,511,740
2,480,455	2,449,550	2,202,911	2,116,423	1,886,482	1,808,236
1,121,910	1,119,516	1,102,767	1,009,196	998,613	1,047,870
2,387,504	1,737,404	1,697,265	1,737,208	1,560,067	1,609,005
579,237	779,924	471,499	841,820	329,472	325,188
5,197,434	5,629,714	5,690,051	4,819,756	4,650,243	4,475,333
533,397	441,282	394,182	616,975	426,239	279,420
1,107,117	1,043,037	1,060,873	798,186	828,318	829,662
827	198	973	48,324	236,278	243
321,022	317,057	88,333	52,904	206,745	1,150,558
13,728,903	13,517,682	12,708,854	12,040,792	11,122,457	11,525,515

Tama County  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2010

Grantor/Program	CFDA Number	Agency or Pass- through Number	Program Expenditures
Direct:			
U.S. Department of Justice:			
Recovery Act-Edward Byrne Memorial Justice Assistance	16.803	2009-SB-B9-1252	\$ 36,993
Indirect:			
U.S. Department of Agriculture:			
Iowa Department of Human Services:			
Human Services Administrative Reimbursements:			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		12,169
Iowa Department of Public Health:			
Mid-Iowa Community Action:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557		1,777
U.S. Department of Housing and Urban Development:			
Iowa Department of Economic Development:			
Home Investment Partnerships Program	14.239	06-HM-133-69	11,474
U.S. Department of Justice:			
Iowa Department of Justice:			
Governor's Office of Drug Control Policy:			
Mid-Iowa Drug Task Force:			
Recovery Act-Edward Byrne Memorial Justice Assistance	16.803	09JAG/ARRA-315	47,183
U.S. Department of Transportation:			
Iowa Department of Public Safety:			
Governor's Traffic Safety Bureau:			
Safety Belt Performance Grants	20.609	10-406, Task 164	3,757
Safety Belt Performance Grants	20.609	09-406, Task 157	3,522
			7,279
U.S. Department of Education:			
Iowa Department of Transportation:			
ARRA-State Fiscal Stabilization Fund-Government Recovery Services Act	84.397	S397A090016A	34,258



Tama County  
Schedule of Expenditures of Federal Awards (Continued)  
Year Ended June 30, 2010

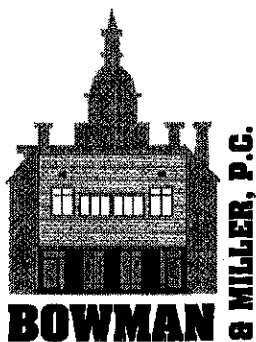
Grantor/Program	CFDA Number	Agency or Pass- through Number	Program Expenditures
U. S. Department of Health and Human Services:			
Iowa Department of Public Health:			
Grinnell Regional Medical Center:			
Public Health Emergency Preparedness	93.069	5889BT01	7,896
Public Health Emergency Preparedness	93.069	5880BT86	67,323
			<u>75,219</u>
 Immunization Grants	 93.268	 5889I472	 3,466
Immunization Grants	93.268	5880I472	638
			<u>4,104</u>
 Immunization Grants-ARRA	 93.712	 5880I472	 405
 Mid-Iowa Community Action:			
Head Start	93.600		1,492
Maternal and Child Health Services Block Grant to the States	93.994		8,200
			<u>9,692</u>
 Social Services Block Grant	 93.667	 5880CO86	 10,941
			<u>10,941</u>
Iowa Department of Human Services:			
Human Services Administrative Reimbursements:			
Temporary Assistance for Needy Families	93.558		6,291
Refugee and Entrant Assistance-State Administered Programs	93.566		34
Child Care Mandatory and Matching Funds of the			
Child Care and Development Fund	93.596		3,187
Foster Care-Title IV-E	93.658		6,499
Adoption Assistance	93.659		1,628
Medical Assistance Program	93.778		13,729
State Children's Insurance Program	93.767		73
Social Services Block Grant	93.667		6,468
			<u>37,872</u>
 Social Services Block Grant	 93.667		 71,372
			<u>77,840</u>
Iowa Department of Education:			
Temporary Assistance to Needy Families	93.558		33,955
			<u>33,955</u>

Tama County  
Schedule of Expenditures of Federal Awards (Continued)  
Year Ended June 30, 2010

Schedule 6

Grantor/Program	CFDA Number	Agency or Pass- through Number	Program Expenditures
U.S. Department of Homeland Security:			
Iowa Department of Public Defense:			
Iowa Homeland Security and Emergency Management Division:			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)-Conservation	97.036	1763-DR-IA	172,879
Disaster Grants - Public Assistance (Presidentially Declared Disasters)-Secondary Roads	97.036	1763-DR-IA	34,698
			<u>207,577</u>
Emergency Management Performance Grants	97.042		<u>14,063</u>
Total			<u>\$ 616,370</u>

**Basis of Presentation** - The Schedule of Expenditures of Federal Awards includes the federal grant activity of Tama County and is presented on the modified accrual basis of accounting. The information on this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.



C E R T I F I E D   ♦   P U B L I C   ♦   A C C O U N T A N T S

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Independent Auditors' Report on Internal Control over  
Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed in Accordance with  
Government Auditing Standards

To the Officials of Tama County:

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Tama County, Iowa, as of and for the year ended June 30, 2010, which collectively comprise the County's basic financial statements listed in the table of contents and have issued our report thereon dated December 15, 2010. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Tama County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing our opinion on the effectiveness of Tama County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Tama County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance all deficiencies, significant deficiencies or material weakness have been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified a deficiency in internal control over financial reporting that we consider to be a material weakness and a deficiency we consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation of the control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility a material misstatement of the County's financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiency in internal control described in Part II of the accompanying Schedule of Findings and Questioned Costs as item II-A-10 to be a material weakness.

A significant deficiency is a deficiency or combination of deficiencies in internal control which is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in Part II of the accompanying Schedule of Findings and Questioned Costs as item II-B-10 to be a significant deficiency.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tama County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of non-compliance or other matters which are described in Part IV of the accompanying Schedule of Findings and Questioned Costs.

Comments involving statutory and other legal matters about the County's operations for the year ended June 30, 2010 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the County. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

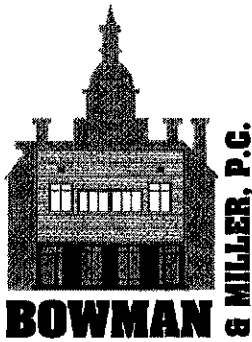
Tama County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. While we have expressed our conclusion on the County's responses, we did not audit Tama County's responses and, accordingly, we express no opinion on them.

This report, a public record by law, is intended solely for the information and use of the officials, employees and citizens of Tama County and other parties to whom Tama County may report including federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of Tama County during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.

*Bowman and Miller, P.C.*

December 15, 2010



C E R T I F I E D   ♦   P U B L I C   ♦   A C C O U N T A N T S

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Independent Auditors' Report on Compliance with Requirements  
Applicable to Each Major Program and on Internal Control over Compliance  
in Accordance with OMB Circular A-133

To the Officials of Tama County:

Compliance

We have audited the compliance of Tama County, Iowa, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2010. Tama County's major federal programs are identified in Part I of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grant agreements applicable to each of its major federal programs is the responsibility of Tama County's management. Our responsibility is to express an opinion on Tama County's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Tama County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Tama County's compliance with those requirements.

In our opinion, Tama County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2010.

## Internal Control Over Compliance

The management of Tama County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grant agreements applicable to federal programs. In planning and performing our audit, we considered Tama County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Tama County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Tama County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. While we have expressed our conclusions on the County's responses, we did not audit Tama County's responses and, accordingly, we express no opinion on them.

This report, a public record by law, is intended solely for the information and use of the officials, employees and citizens of Tama County and other parties to whom Tama County may report, including federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

*Bowman and Miller, P.C.*

December 15, 2010

Tama County  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2010

**Part I: Summary of the Independent Auditors' Results:**

- (a) Unqualified opinions were issued on the financial statements.
- (b) A significant deficiency and a material weakness in internal control over financial reporting were disclosed by the audit of the financial statements.
- (c) The audit did not disclose any non-compliance which is material to the financial statements.
- (d) No significant deficiencies in internal control over major programs were identified.
- (e) An unqualified opinion was issued on compliance with requirements applicable to each major program.
- (f) The audit disclosed no audit findings which are required to be reported in accordance with Office of Management and Budget Circular A-133, Section .510(a).
- (g) Major programs were as follows:
  - CFDA Number 97.036 – Disaster Grants-Public Assistance (Presidentially Declared Disaster Areas)
  - CFDA Number 93.667 – Social Services Block Grant
  - CFDA Number 16.803 – Recovery Act-Edward Byrne Memorial Justice Assistance Grant
- (h) The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
- (i) Tama County did not qualify as a low-risk auditee.

Tama County  
Schedule of Findings and Questioned Costs (Continued)  
Year Ended June 30, 2010

**Part II: Findings Related to the Financial Statements:**

**INSTANCES OF NON COMPLIANCE:**

No matters were reported.

**INTERNAL CONTROL DEFICIENCIES:**

II-A-10 Segregation of Duties -- During our review of internal control, the existing control procedures are evaluated in order to determine that incompatible duties, from a control standpoint, are not performed by the same employee. This segregation of duties helps to prevent losses from employee error or dishonesty and, therefore, maximizes the accuracy of the County's financial statements. We noted that generally one or two individuals in the offices identified may have control over the following areas for which no compensating controls exist:

(1) All incoming mail should be opened by an employee who is not authorized to make entries to the accounting records. This employee should prepare a listing of cash and checks received. The mail should then be forwarded to the accounting personnel for processing. Later, the same listing should be compared to the cash receipt records.

---

Applicable  
Offices

---

Treasurer,  
Recorder

(2) Bank accounts should be reconciled promptly at the end of each month by an individual who does not sign checks, handle or record cash.

Recorder,  
Sheriff

(3) Checks should be signed by an individual who does not otherwise participate in the preparation of the checks. Prior to signing, the checks and the supporting documentation should be reviewed for propriety. After signing, the checks should be mailed without allowing them to return to individuals who prepare the checks or approve vouchers for payment.

Treasurer,  
Recorder,  
Sheriff

Recommendation - We realize segregation of duties is difficult with a limited number of office employees. However, each official should review the operating procedures of their office to obtain the maximum internal control possible under the circumstances. The official should utilize current personnel to provide additional control through review of financial transactions, reconciliations and reports. Such reviews should be performed by independent persons to the extent possible and should be evidenced by initials or signature of the reviewer and the date of the review.



Tama County  
Schedule of Findings and Questioned Costs (Continued)  
Year Ended June 30, 2010

**INTERNAL CONTROL DEFICIENCIES (continued):**

Response – Each office will be reminded to segregate duties to practically accomplish internal controls.

Conclusion – Response accepted.

- II-B-10 Credit Cards – The County has credit cards for use by various employees while on County business. The County has not adopted a formal policy to regulate the use of credit cards and to establish procedures for the proper accounting of credit card charges.

Recommendation – The County should adopt a formal written policy regulating the use of County credit cards. The policy, at a minimum, should address who controls credit cards, who is authorized to use credit cards and for what purposes, as well as the types of supporting documentation required to substantiate the charges.

Response – A written credit card policy was adopted by the Board of Supervisors on December 6, 2010.

Conclusion – Response accepted.

**Part III: Findings and Questioned Costs for Federal Awards:**

**INSTANCE OF NON-COMPLIANCE:**

No matters were reported.

**Part IV: Other Findings Related to Required Statutory Reporting:**

- IV-A-10 Certified Budget – Disbursements during the year ended June 30, 2010 did not exceed the amounts budgeted.

Also, the budget amendment was not appropriated, by resolution, for the amounts deemed necessary for each of the different county offices and departments for the fiscal year as required by Chapter 331.434(6) of the Code of Iowa.

Recommendation – Chapter 331.434(6) of the Code of Iowa requires the Board of Supervisors to appropriate, by resolution, amounts deemed necessary for each of the different county offices and departments for the fiscal year.

Response – The auditor will follow through on the budget amendments and ensure that appropriations are done at the same time the amendment is approved.

Conclusion – Response accepted.

Tama County  
Schedule of Findings and Questioned Costs (Continued)  
Year Ended June 30, 2010

- IV-B-10 Questionable Expenditures – We noted no expenditures that we believe may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979.
- IV-C-10 Travel Expense – No expenditures of County money for travel expenses of spouses of County officials or employees were noted.
- IV-D-10 Business Transactions – No business transactions between the County and County officials or employees were noted.
- IV-E-10 Bond Coverage – Surety bond coverage of County officials and employees is in accordance with statutory provisions. The amount of all bonds should be periodically reviewed to ensure the coverage is adequate for current operations.
- IV-F-10 Board Minutes – No transactions were found that we believe should have been approved in the Board minutes but were not.
- IV-G-10 Deposits and Investments – No instances of non-compliance with the deposit and investment provisions of Chapter 12B and 12C of the Code of Iowa and the County's investment policy were noted.
- IV-H-10 Resource Enhancement and Protection Certification – The County properly dedicated property tax revenue to conservation purposes as required by Chapter 455A.19(1)(b) of the Code of Iowa in order to receive the additional REAP funds allocated in accordance with subsections (b)(2) and (b)(3).
- IV-I-10 County Extension Office – The County Extension Office is operated under the authority of Chapter 176A of the Code of Iowa and serves as an agency of the State of Iowa. This fund is administered by an Extension Council separate and distinct from County operations and, consequently is not included in Exhibits A or B.

Disbursements during the year ended June 30, 2010 for the County Extension Office did not exceed the amount budgeted.

Tama County  
Audit Staff

This audit was performed by:

Bowman and Miller, P.C.  
Certified Public Accountants  
Marshalltown, Iowa

Personnel:

Elizabeth A. Miller, CPA, Principal  
Nathan Minkel, Staff  
Diana Swanson, Staff